

TENNESSEE STATE FUNDING BOARD
March 6, 2020

The Tennessee State Funding Board (the "Board") met on Friday, March 6, 2020, at 11:15 a.m., in the Tennessee State Capital, Ground Floor, Executive Conference Room, Nashville, Tennessee. The Honorable Justin Wilson, Comptroller, was present and presided over the meeting.

The following members were also present:

The Honorable Tre Hargett, Secretary of the State of Tennessee
The Honorable David Lillard, State Treasurer
Commissioner Stuart McWhorter, Department of Finance and Administration

The following member was absent:

The Honorable Bill Lee, Governor

Seeing a physical quorum present, Mr. Wilson called the meeting to order and asked for approval of the minutes from the January 21, 2020, meeting. Mr. Lillard made a motion to approve the minutes. Mr. McWhorter seconded the motion, and it was unanimously approved.

Mr. Wilson then recognized Ms. Jamie Stitt, Assistant Commissioner of Business and Workforce Development, Tennessee Department of Economic and Community Development ("ECD"), to present FastTrack projects for consideration and Mr. Paul VanderMeer, Assistant Commissioner of Administration, ECD, to present the "FastTrack Report to State Funding Board" (the "Report"). Mr. VanderMeer reported that, as of the date of the Board meeting on January 21, 2020, the FastTrack balance was \$267,170,815.61. Since that time, \$8,533,246.45 in funds were deobligated; \$9,249,000 in new grants had been approved and \$210,592.44 in funds had been spent on FastTrack administrative expenses, which resulted in an adjusted FastTrack balance available for funding grants and loans of \$266,244,469.62 as of the date of the Report. Mr. VanderMeer reported that commitments had been made in the amount of \$198,781,047.66, resulting in an uncommitted FastTrack balance of \$67,463,421.96. Mr. VanderMeer reported that the projects to be considered at this meeting totaled \$6,000,000.00, and if these projects were approved, the uncommitted balance would be \$61,463,421.96, and the total commitments would be \$204,781,047.66, which represented 76.9% of the FastTrack balance. Mr. Wilson then asked if the funds available in the FastTrack balance would be sufficient through June 30, 2020. Mr. VanderMeer responded in the affirmative.

Ms. Stitt then presented the following FastTrack projects:

- **Amazon.com Services, Inc. – Memphis (Shelby County)**
FastTrack Economic Development Grant \$2,000,000.00
- **Genesco Inc. - Nashville (Davidson County)**
FastTrack Economic Development Grant \$1,000,000.00
- **Spirit Airlines, Inc – Brentwood or Franklin (Williamson County)**
FastTrack Economic Development Grant \$3,000,000.00

The Board received in their packets signed letters, FastTrack checklists, and incentive acceptance forms signed by Mr. Bob Rolfe, Commissioner of ECD. Mr. Wilson inquired if the information provided in the ECD packets was true and correct. Ms. Stitt responded affirmatively. Mr. Wilson also inquired if the

companies that had signed the incentive acceptance forms fully understood the agreements. Ms. Stitt responded affirmatively. Mr. Wilson then made a motion to approve the projects. Mr. Lillard seconded the motion, and it was unanimously approved.

Mr. Wilson then presented for consideration and approval a "Resolution to Amend the Resolution Allocating from the Debt Service Fund to the Capital Projects Fund \$694,477.65 and Canceling Authorized Bonds" to be effective March 6, 2020. Mr. Wilson explained that the amendment was to correct a transposition error on the original resolution. Mr. Wilson made a motion to approve the resolution. Mr. Hargett seconded the motion, and it was unanimously approved.

Mr. Wilson then recognized Mr. William Wood, Budget Analyst, Tennessee Comptroller of the Treasury, who presented the staff analysis of the "Economic Report to the Governor of the State of Tennessee" (the "Economic Report"). Mr. Wood stated that pursuant to state law, Tennessee Code Annotated Section 9-4-5202, the Board's staff is directed to comment on the reasonableness of the estimates concerning the rate of growth of Tennessee's economy from the Tennessee econometric model published by University of Tennessee's Boyd Center for Business and Economic Research ("CBER") in its annual Economic Report. Mr. Wood stated that, based on review of the Economic Report and evaluation of current economic conditions and forecast of trends, the Economic Report's estimates of nominal personal income growth of 4.90% in fiscal year 2020, 4.57% in calendar year 2020, and 4.67% in calendar year 2021, do not appear to be unreasonable. The Board accepted the staff analysis of the Economic Report.

Mr. Wilson then acknowledged that the Board received from the Attorney General the "List Identifying State Tax and Non-Tax Revenue Sources" (the "List") and stated that the List appeared to be accurate. Mr. Wilson made a motion to acknowledge to the General Assembly the receipt of the List and the accuracy of the List. Mr. Hargett seconded the motion, and it was unanimously approved.

After requesting other business and hearing none, Mr. Wilson adjourned the meeting.

Approved on this 25th day of June 2020.

Respectfully submitted



Sandra Thompson
Assistant Secretary

**RESOLUTION TO AMEND THE RESOLUTION
ALLOCATING FROM THE DEBT SERVICE FUND TO THE
CAPITAL PROJECTS FUND \$694,477.65 AND CANCELING
AUTHORIZED BONDS**

Recitals

Whereas the Tennessee State Funding Board adopted a “Resolution Allocating from the Debt Service Fund to the Capital Projects Fund \$694,477.65 and Canceling Authorized Bonds” on August 9, 2019 (the “2019 UOM Resolution”).

Whereas the 2019 UOM Resolution correctly stated the information in the Recitals paragraph 1 and 3 but due to scrivener’s error misstated an amount in Recitals paragraph 2; and

Whereas the Tennessee State Funding Board desires to amend and clarify the 2019 UOM Resolution by restating in its entirety Recital paragraph 2 of the 2019 UOM Resolution.

Whereas the 2019 UOM Resolution correctly stated the information in the Be It Resolved, Item 1, 2 and 4 but due to scrivener’s error misstated an amount in Be It Resolved, Item 3; and

Whereas the Tennessee State Funding Board desires to amend and clarify the 2019 UOM Resolution by restating in its entirety the Be It Resolved, Item 3.

BE IT RESOLVED BY THE FUNDING BOARD OF THE STATE OF TENNESSEE:

1. Recital paragraph 2 of the UOM Resolution is restated as follows:

Recitals

The State Funding Board has previously canceled Three Million, Three Hundred Eighty Thousand, Four Hundred Sixteen Dollars and Ninety-Seven Cents (\$3,380,416.97) of the Item 3 Bonds. None of the remaining Three Million, Six Hundred Nineteen Thousand, Five Hundred Eighty-Three Dollars and Three Cents (\$3,619,583.03) principal amount of the Item 3 Bonds has been issued as 2007 Act Bonds but cash has been expended from the Capital Projects Fund.

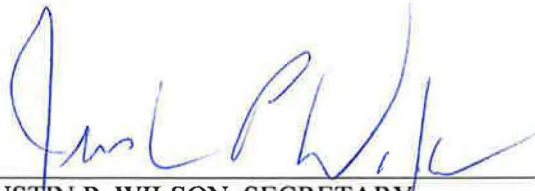
2. Be It Resolved, Item 3 of the UOM Resolution is restated as follows:

Be It Resolved by the Funding Board of the State of Tennessee

3. In accordance with the authority provided by Tennessee Code Annotated Sections 9-9-208, and the memorandum from the Commissioner of Finance and Administration dated July 30, 2019, the State Funding Board hereby cancels Six Hundred Ninety-Four Thousand, Four Hundred Seventy-Seven Dollars and Sixty-Five Cents (\$694,477.65) of the principal amount authorized by the 2007 Act for the Item 3 Bonds.

BE IF FURTHER RESOLVED that all resolutions or parts of resolutions in conflict are repealed, and the resolution shall be effective as of March 6, 2020.

Adopted by the Funding Board at its meeting on March 6, 2020.



JUSTIN P. WILSON, SECRETARY
TENNESSEE STATE FUNDING BOARD